



“Guiding Montana Businesses to Success”

INVESTING IN MONTANA’S ECONOMIC FUTURE

- **MISSION AND VISION**
- **PROGRAM HISTORY**
- **NETWORK STRUCTURE**
- **CONSULTING SERVICES**
- **QUALITY ASSURANCE**
- **LEAD CENTER REVIEWS**
- **CHRISMAN ECONOMIC IMPACT STUDY**
- **PROGRAM MANAGEMENT**
- **LEAD CENTER CHALLENGE**
- **ANNUAL PERFORMANCE**



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MISSION & VISION

MISSION

To guide existing and start-up businesses toward profitability in order to create jobs and economic wealth in Montana.

VISION

The Montana Small Business Development Centers Network is to be the most highly recommended source of results-driven business assistance in the state and a major contributor to sustaining a healthy, growing, and globally competitive small business sector in Montana.



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PROGRAM HISTORY

Small Business Act of 1953

SBA Annual Grants

Montana Department of Commerce

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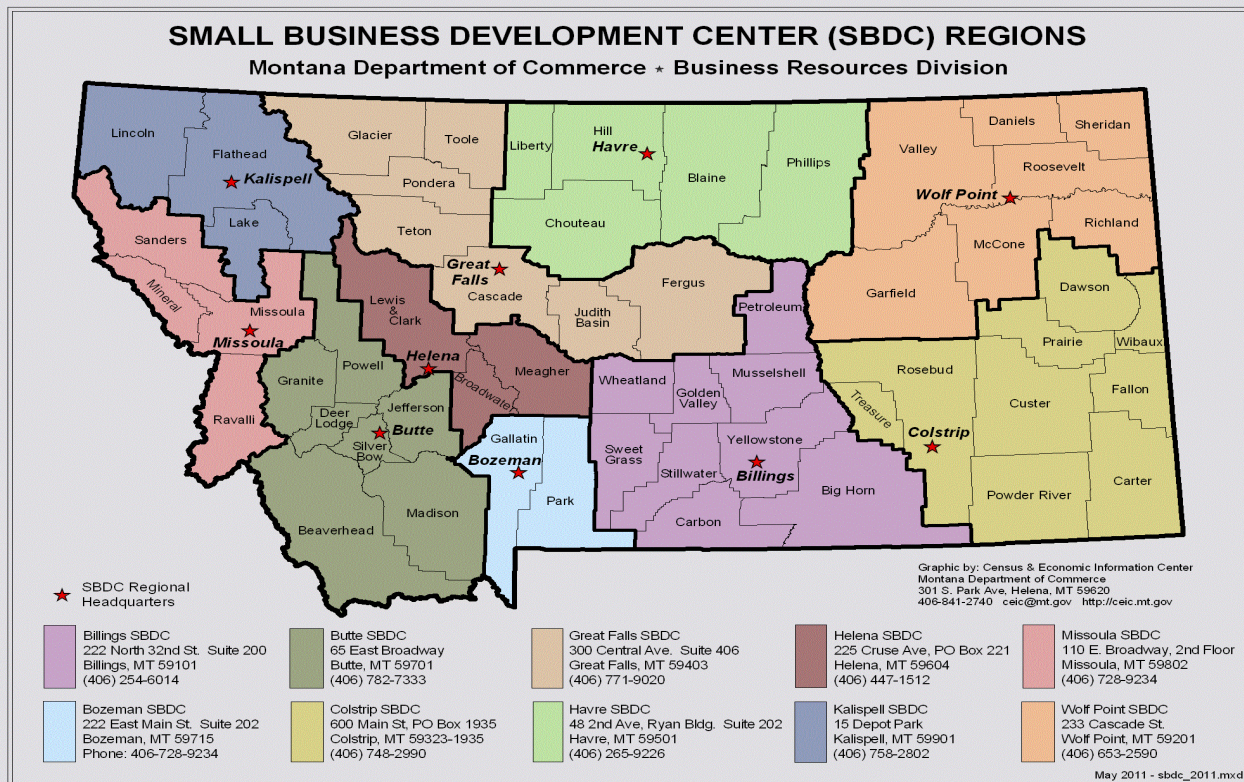
Local Economic Development Organizations

established the SBDC Network in 1989

NETWORK STRUCTURE

10 Regions

Average size 14,000 square miles





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INVESTING IN MONTANA’S ECONOMIC FUTURE

- **Partnership** between federal, state and local economic development organizations to support network of 10 offices statewide
- Every state **\$1.00** leveraged almost **\$4.00** in federal and local dollars for SBDC statewide network services and operations

Average Annual Budget - \$1.27 Million

1:1 state/local match required (50% Cash)

\$628,000	Federal SBA \$ for 10 field offices & state admin.
\$125,000	State Statutory Funding distributed to 10 field offices
\$170,000	State MDOC/CDBG Funding
\$245,000	Local cash - economic development organizations
\$104,000	In-kind – State/economic development organizations



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CONSULTING SERVICES

- **BUSINESS CONSULTING**

MTSBDC focuses the majority of its services toward assessing, assisting, and accelerating the high-growth potential of existing businesses while contributing to the basic needs of aspiring entrepreneurs and start-up businesses.

- **BUSINESS TRAINING**

Training provided is expected to meet defined need, be self-sufficient and co-sponsored.



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CONSULTING SERVICES

The Montana SBDC provides no-cost business consulting. They only ask for participation in surveys.

The SBDC offices also provide free or low-cost training in their regions.

SBDCs counsel and train approximately 3,900 individuals and businesses statewide per year.

Funding is provided by a federal grant from the SBA and state and local matching funds.



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CONSULTING SERVICES

MARKET SEGMENTATION

Pre-venture Individuals - Not in Business -19%

Start-ups 0-12 months - 35%

Established > 1 year – 46%

Small Businesses 1-4 employees-87%

5-9 employees-6%

>10 employees-7%



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CONSULTING SERVICES

Core Services

- Financial Technical Assistance
- Business Plans
- Marketing & Research
- Entrepreneurial Development
- Business Management Training



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CONSULTING SERVICES

Financial Technical Assistance

Assist in attaining financing

Financial Analysis

Cost Benefit Ratios

Determine costs to start or expand the business



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CONSULTING SERVICES

BUSINESS PLANS

Templates available

Step by step assistance in writing

Review and advise

Revise and update



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CONSULTING SERVICES

Marketing & Research

Identify market

Define customers

Research information on the industry/competition

Price products or services



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CONSULTING SERVICES

Entrepreneurial Development

Start a business

Buy a business

Expand a business

Develop a new service or product



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CONSULTING SERVICES

Business Management Training

Start a business work shops

FastTrac

Core Four

QuickBooks

Online Resources



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QUALITY ASSURANCE

MTSBDC Lead Center responsibilities :

- SBA Grant Management
- ASBDC Accreditation

Program Management

Fiscal Oversight

Site Reviews

Reports Management

Resource Development

Public Relations

Professional
Development

Surveys



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QUALITY ASSURANCE

MTSBDC network responsibilities :

- Effective and efficient delivery of counseling services
- Meeting the needs of clients and stakeholders
- Accomplishing a high level of satisfaction and quality

Operations Manual (SOP)

Survey participation

Program and Financial Review

DOC Contract

Request for Reimbursement

Code of Ethics

Professional Development

Lead Center Cooperation



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LEAD CENTER REVIEWS

Three levels of continuous reviews

- Fiscal - Reimbursement Request review (monthly)
- Goal progress/accomplishment review (monthly)
- Client file and narrative record review (annually)

Lead Center conducts annual onsite reviews for each center

Review incorporates elements from:

SBA federal financial audits

SBA District Office programmatic reviews

ASBDC accreditation



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NETWORK PERFORMANCE

2010

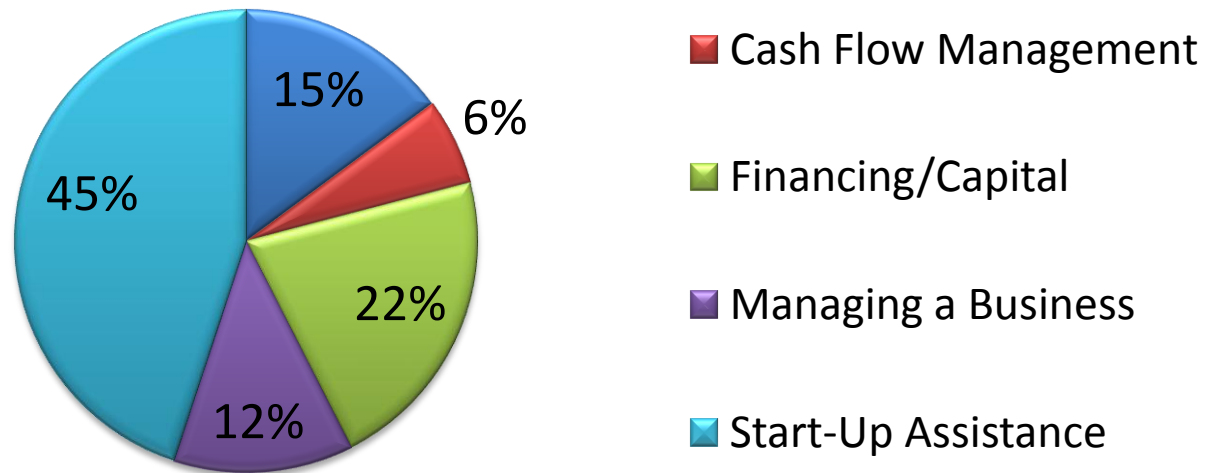
Jobs Created:	396
Jobs Retained:	475
Clients Counseled:	1,014
Clients Trained:	1,403
Business Loans:	294
Capital Infusion:	\$ 65.9 Million
Businesses Started:	76



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ANNUAL PERFORMANCE

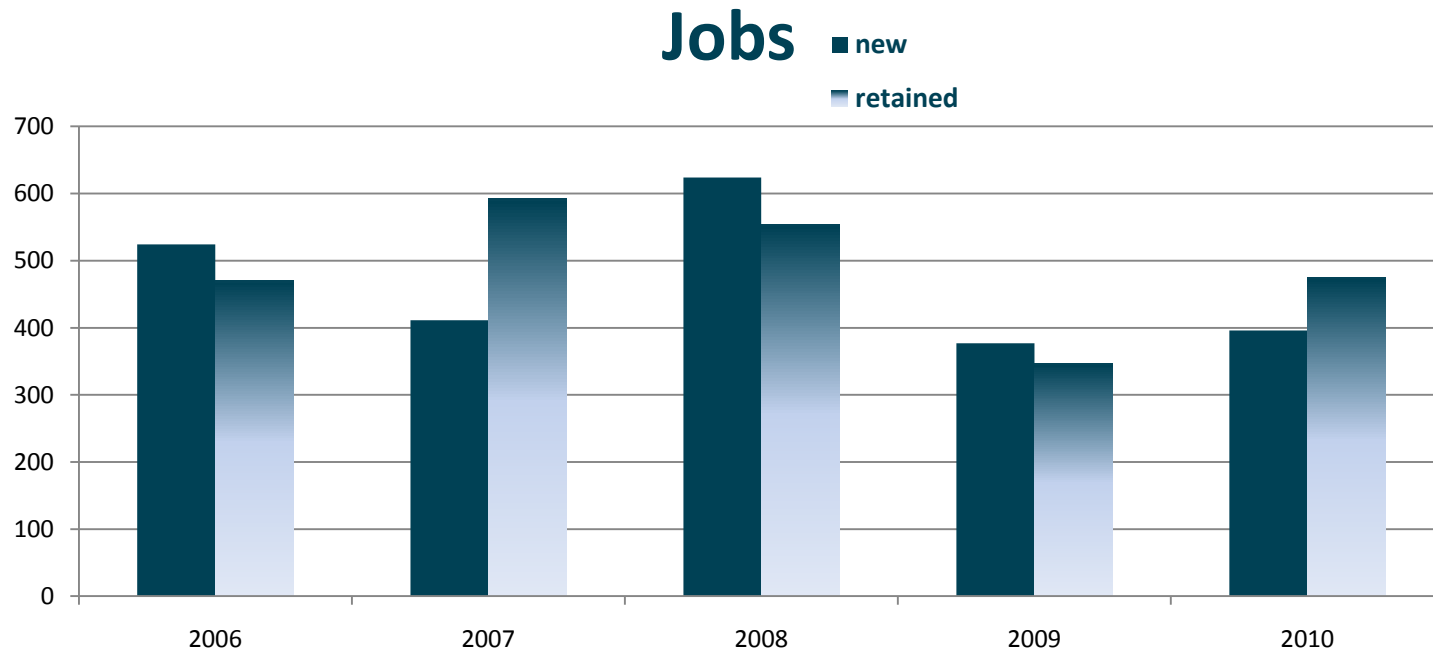
**Business Advice by Montana SBDC
(Top Five)**





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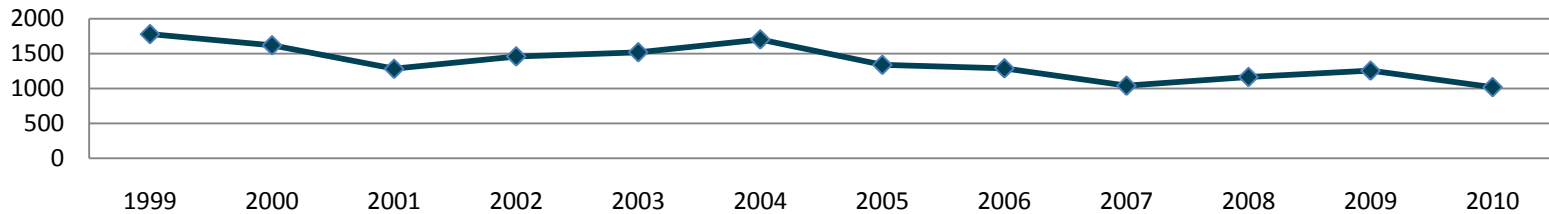
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ANNUAL PERFORMANCE

1999-2010

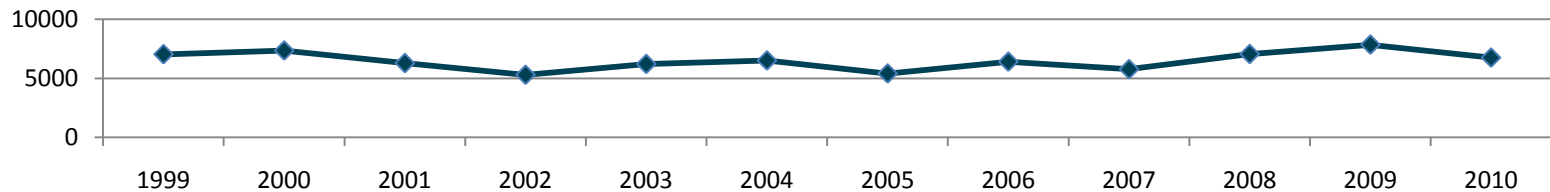
Clients Counseled

5 Yr Ave 1,115



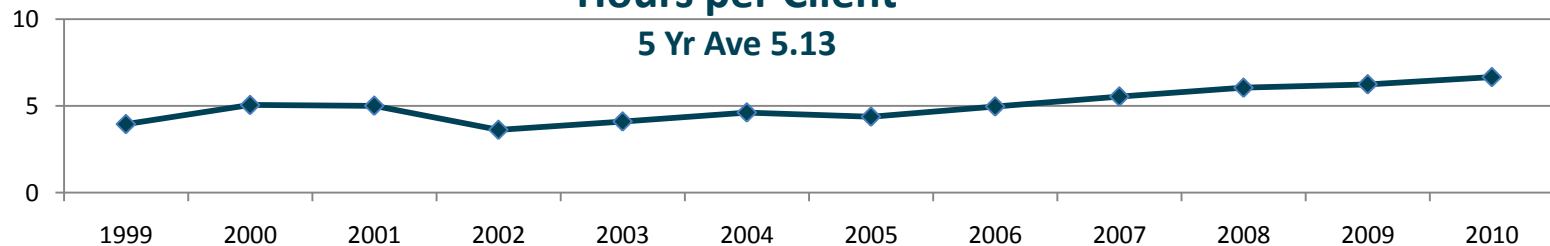
Hours of Counseling

5 Yr Ave 6,766



Hours per Client

5 Yr Ave 5.13

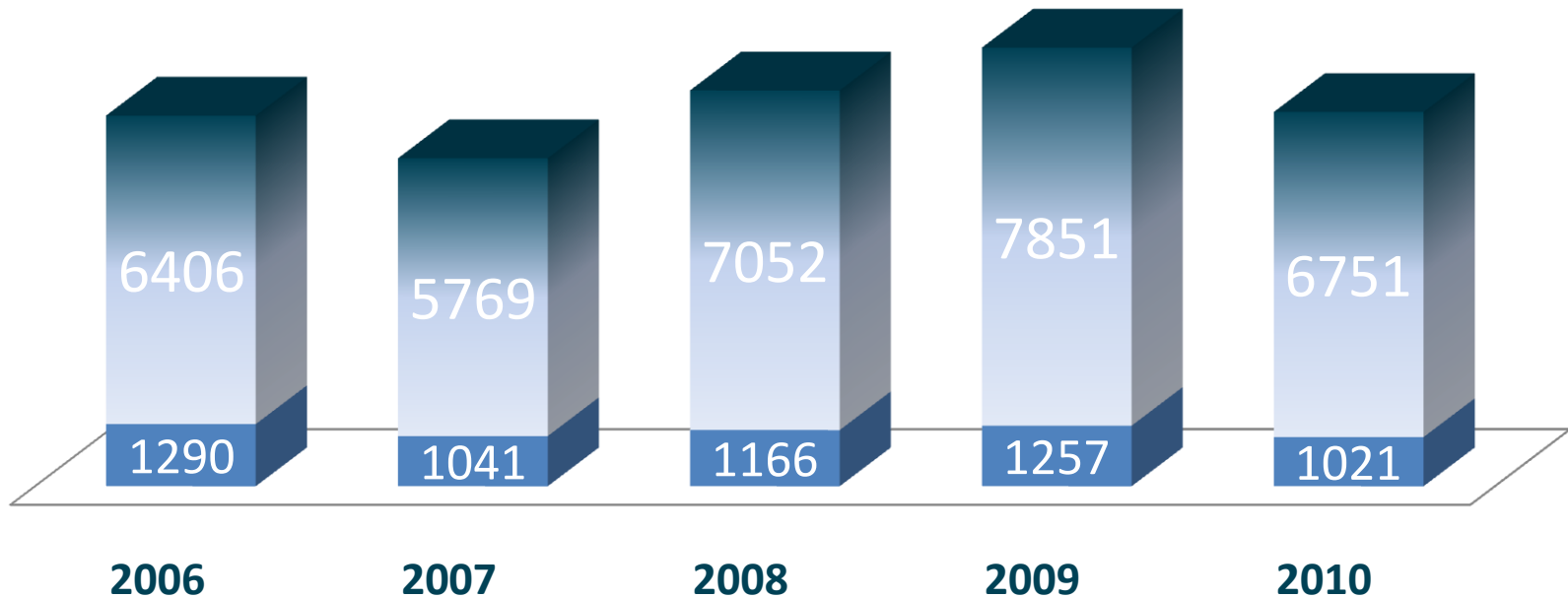




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ANNUAL PERFORMANCE

■ # Clients ■ #Hours





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CHRISMAN ECONOMIC IMPACT STUDIES

The Chrisman report analyzes the sales and employment changes and financing obtained by a sample of established businesses and pre-venture businesses that received five or more hours of counseling assistance (long term clients) from the Montana Small Business Development Center.



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CHRISMAN ECONOMIC IMPACT STUDIES

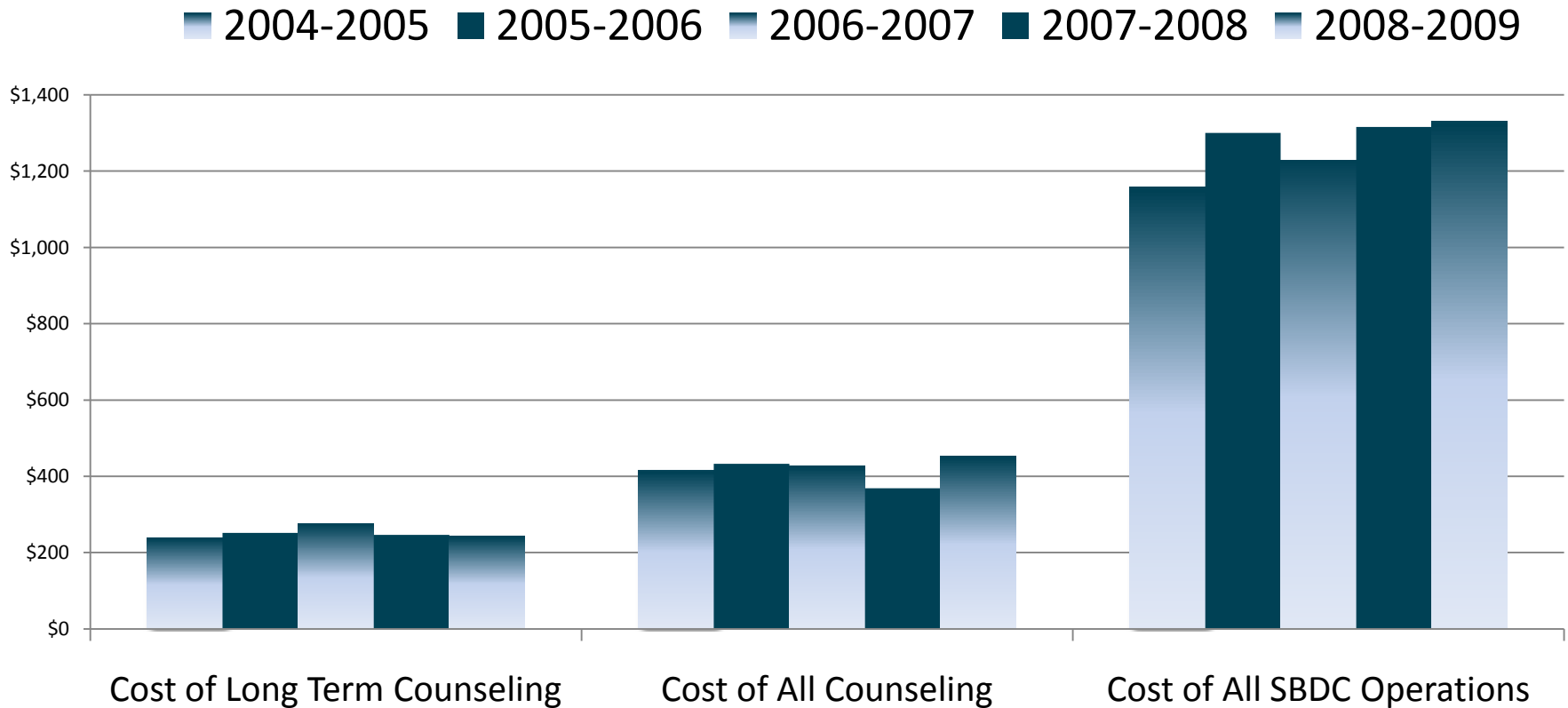
- Each **\$1** spent on the SBDC program for client counseling generated approximately **\$35** in new capital raised from external sources
- SBDC clients added **\$31.3** million in incremental sales
- Each SBDC client generated **\$1.35** in tax revenues for each SBDC **\$1**
- Cost-Benefit Ratio for every SBDC **\$1** for long term counseling is **\$5.58**



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CHRISMAN ECONOMIC

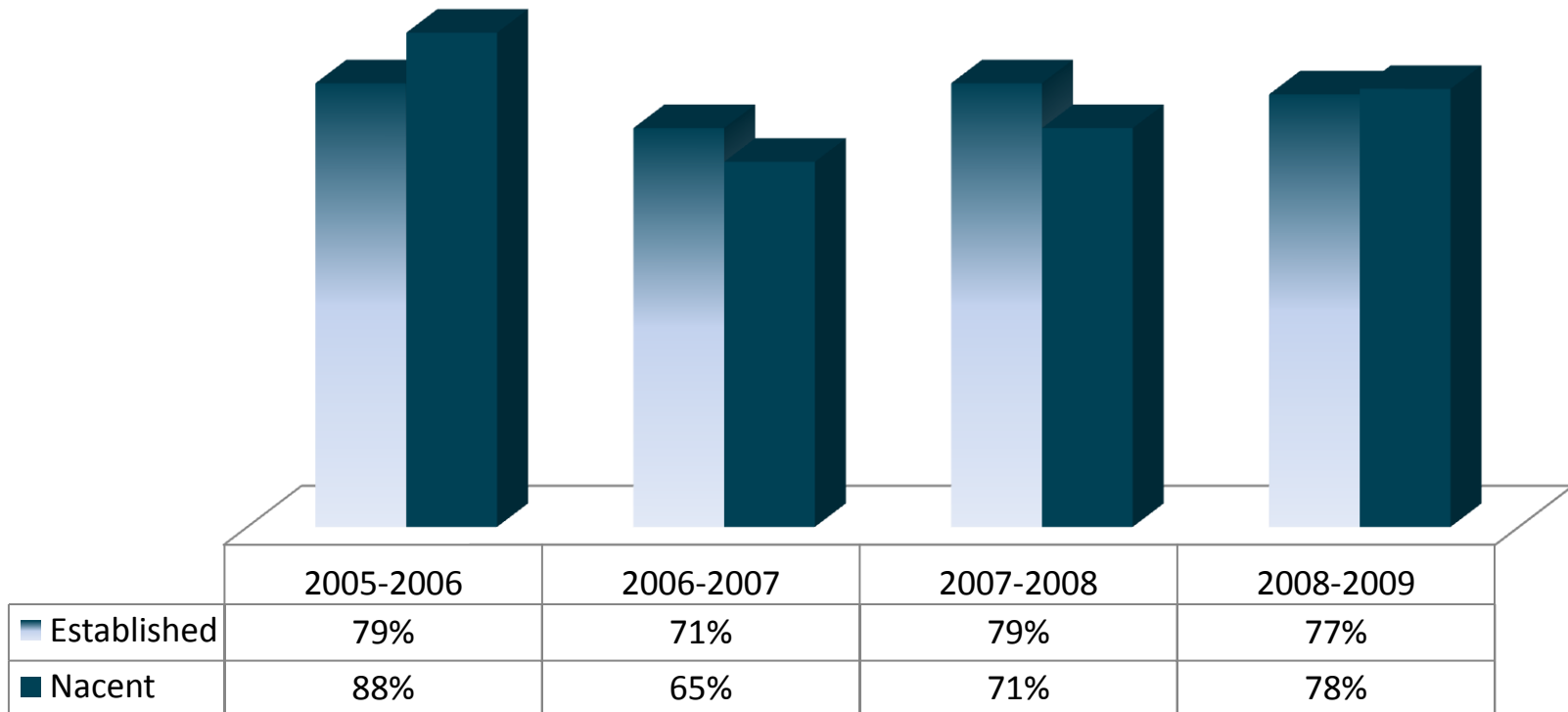
IMPACT STUDIES



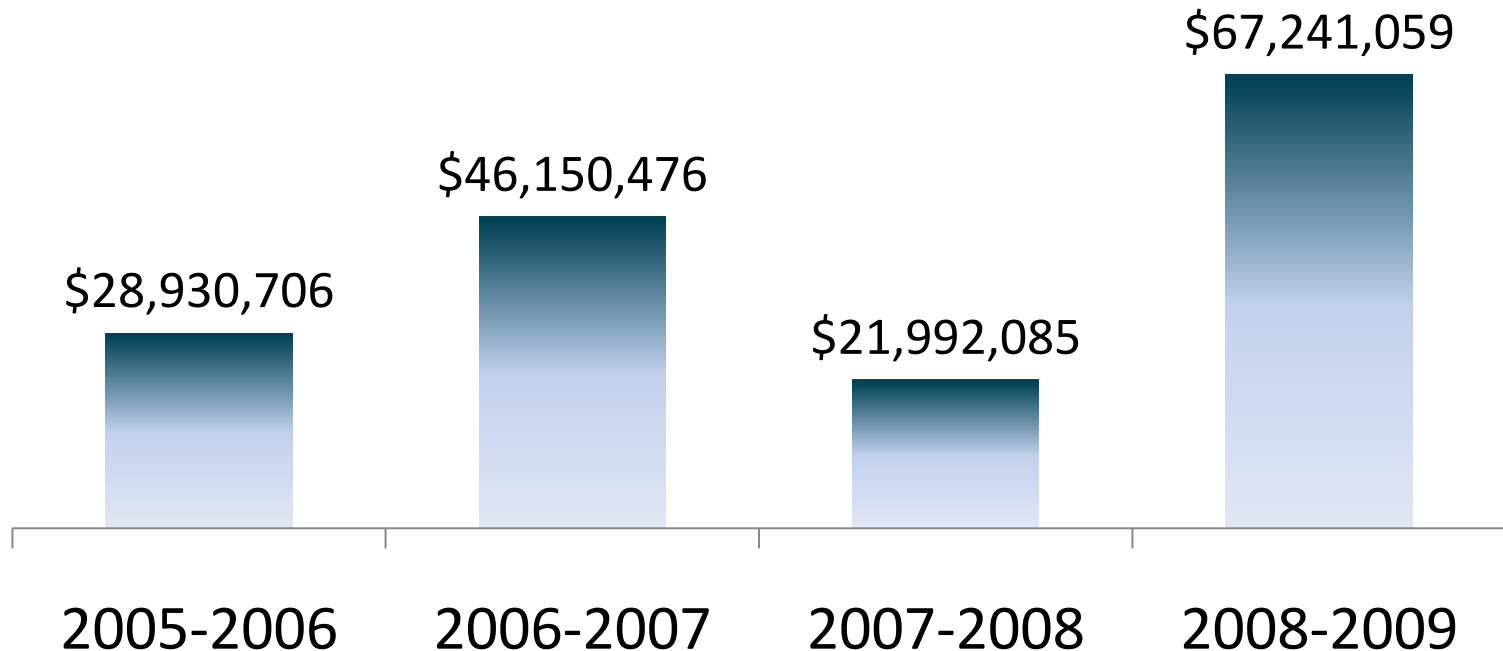
CHRISMAN ECONOMIC

IMPACT STUDIES

Quality of Counseling



Financing Attained





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PROGRAM MANAGEMENT SYSTEM

Montana

Department of Commerce

Federal

Office of Small Business Development Centers

ASBDC Accreditation Standards

development & deployment of management system

SBDC Advisory Board

SBDC Lead Center

SBA District Office

**Department of Commerce
Host Contracts**

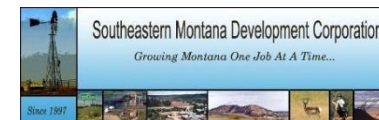
**Small Business Administration
Cooperative Agreement**

SBDC Network of Centers



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OUR PROGRAM PARTNERS





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LEAD CENTER CHALLENGE

The Cost to Benefit Equation

How to effectively utilize limited resources to serve the complex and diverse needs of business while assuring quality (cost) and generating a significant return on investment (benefit)



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Questions?

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